

FISCAL NOTE

Bill #: SB0011

Title: An Act Extending the 1 Cent Aviation Fuel Tax Increase Imposed by Chapter 585, Laws of 1999

Primary

Sponsor: Walter McNutt

Status: As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2001 Difference</u>	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Expenditures:			
State Special Revenue	\$315,000	\$315,000	\$315,000
Revenue:			
State Special Revenue	\$315,000	\$315,000	\$315,000
Net Impact on General Fund Balance:	-0-	-0-	-0-

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
X		Significant Local Gov. Impact		X	Technical Concerns
		Included in the Executive Budget	X		Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

1. Revenue is based on FY00 estimate, i.e., one cent of tax equals \$315,000.
2. Twenty-five percent of the amount of aviation fuel tax collected from the scheduled passenger air carriers must be deposited into a pavement preservation account. One cent aviation fuel tax collected from scheduled passenger carrying airlines = \$150,000. Air carriers currently pay one cent per gallon, so the amount for pavement preservation will be equal to 25% of the two-cent total tax paid by the air carriers, if

SB0011 is enacted. Twenty-five percent of revenue collected from air carriers ($0.25 \times 300,000 = 75,000$) is to be placed into a pavement preservation grant account for the airports served by these air carriers.

FISCAL IMPACT:

	FY2001 <u>Difference</u>	FY2002 <u>Difference</u>	FY2003 <u>Difference</u>
FTE	1.00	1.00	1.00

Expenditures:

Personal Services	33,500	33,500	33,500
Operating Expenses	180,500	180,500	180,500
Equipment	26,000	26,000	26,000
Grants	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>
TOTAL	\$315,000	\$315,000	\$315,000

Funding:

State Special Revenue (02)	315,000	315,000	315,000
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Revenues:

State Special Revenue (02)	\$315,000	\$315,000	\$315,000
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Net Impact to Fund Balance (Revenue minus Expenditure):

State Special Revenue (02)	-0-	-0-	-0-
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EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Airports served by the scheduled passenger air carriers certified under 14 CFR part 121 or 135 will benefit with the pavement preservation program created by this act. Money in the form of grants will be made available to these airports for financial assistance in preserving airport pavement reducing the need for city/county funds in this area.

LONG-RANGE IMPACTS:

Airports served by the scheduled passenger air carriers certified under 14 CFR part 121 or 135 will benefit with the pavement preservation program created by this act. Pavements that may not be maintained due to local funding shortages will be maintained through the availability of these new grants adding to the life of the airport pavement.

Programs to be increased or reinstated with these additional funds include air search and rescue program and training, winter survival training, flight safety instruction, teacher workshops, and state-owned airports. In addition, matching funds to complete federal projects will be generated and replacement equipment will be purchased. Benefits to the entire Montana aviation community will be realized through overall efforts and programs geared toward aviation safety and training.